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H.R. 2830 - Coast Guard Authorization Act of 2008

EXECUTIVE SUMMARY

H.R. 2830 was introduced by Representative James Oberstar (D-MN) and was reported, as amended, by voice vote from the Committees on Transportation and Infrastructure, Homeland Security, and the Judiciary. The bill is expected to be considered by the House under a structured rule on April 23, 2008.

The bill authorizes \$8.4 billion for the Coast Guard for fiscal year 2008. The bill contains provisions relating to Liquefied Natural Gas (LNG) tankers and facilities that some Republicans have argued would delay or effectively block construction of new LNG facilities in the United States. H.R. 2830 sets a national goal of organism free ballast water by 2015. In addition, the bill requires Coast Guard cutters purchased as a part of the Coast Guard Integrated Deepwater Program to be certified by a third party with expertise in vessel design and construction certification.

According to the Statement of Administration Policy released on April 23, 2008, which does contain a veto threat, "the Administration strongly opposes House passage of H.R. 2830 in its current form because it would adversely affect homeland security, protection of the marine environment, and maritime safety and would unreasonably intrude upon the Commandant's authority and discretion to command and control the Coast Guard."

*Note: As part of the rule for H.R. 2830, the text of the Alien Smuggling and Terrorism Prevention Act of 2007 (H.R. 2399) will be incorporated at the end of the bill upon passage. H.R. 2399, which was introduced by Rep. Baron Hill (D-IN), passed the House on May 22, 2007, by a vote of 412 to 0. Please find the Legislative Digest for this bill here.

FLOOR SITUATION

H.R. 2830 is being considered on the floor under a structured rule. The Rule:

- Provides one hour of general debate, with 40 minutes equally divided and controlled by the chairman and the ranking minority member of the Committee on Transportation and Infrastructure and 20 minutes equally divided and controlled by the chairman and the ranking minority member of the Committee on Homeland Security.
- Waives all points of order against consideration of the bill except those arising under clause 9 or 10 of rule XXI.
- Provides that, in lieu of the amendments in the nature of a substitute recommended by the Committees on Transportation and Infrastructure, Homeland Security, and the Judiciary now printed in the bill, the amendment in the nature of a substitute printed in part A of the Rules Committee report accompanying the resolution shall be considered as an original bill for the purpose of amendment and shall be considered as read.
- Waives all points of order against the amendment in the nature of a substitute printed in part A of the Rules Committee report accompanying the resolution except those arising under clause 10 of rule XXI. This does no affect the point of order available under clause 9 of rule XXI (regarding earmark disclosure).

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- Makes in order only those further amendments printed in part B of the Rules Committee report accompanying the resolution.
- Provides that the amendments made in order may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to an amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole.
- Waives all points of order against the amendments printed in part B of the Rules Committee report except for those arising under clause 9 or 10 of rule XXI.
- Provides one motion to recommit with or without instructions.
- Provides that in the engrossment of H.R. 2830, the text of H.R. 2399, as passed the House, shall be added at the end of H.R. 2830.
- Provides that, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to a time designated by the Speaker.

This legislation was introduced by Representative James Oberstar (D-MN) on June 22, 2007. The Committee on Transportation and Infrastructure reported H.R. 2830 as amended by voice vote on September 20, 2007. The Committee on Homeland Security reported the bill, as amended, by voice vote on October 1, 2007. The bill was then reported, as amended, by voice vote from the Committee on the Judiciary on October 30, 2007.

H.R. 2830 is expected to be considered on the House floor on April 23, 2008.

BACKGROUND

The United States Coast Guard is one of the five armed services of the United States, and was established by Congress in 1915 upon the merging of the Revenue Cutter Service and the United States Lifesaving Service. The legal basis for the Coast Guard is Title 14 of the United States Code, which states: "The Coast Guard as established January 28, 1915, shall be a military service and a branch of the armed forces of the United States at all times." The Coast Guard later moved to the Department of Transportation in 1967, and on February 25, 2003, it became part of the Department of Homeland Security.

The Coast Guard's stated mission is to protect the public, the environment, and the United States economic and security interests in any maritime region in which those interests may be at risk, including international waters and America's coasts, ports, and inland waterways. The Coast Guard is composed of 40,000 active duty military personnel, 8,100 reservists, 6,700 civilian employees, and 36,000 volunteers of the Coast Guard Auxiliary.

The Consolidated Appropriations Act for Fiscal Year 2008 (P.L. 110-161) provided \$8.522 billion for the Coast Guard, which is \$65 million more than the President had requested. The President's fiscal year 2009 Budget request was \$9.071 billion for the Coast Guard.

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SUMMARY

Title I - Authorization Levels

Operation and Maintenance: H.R. 2830 authorizes \$5,965,742,000 for the operation and maintenance of the Coast Guard, which includes \$80.5 million for the operating expenses of the Integrated Deepwater System and \$1.523 billion for paying for ports, waterways, and coastal security.

Acquisition and Improvements: The bill authorizes \$1,125,083,000 for the acquisition, rebuilding, and improvement of aids to navigation, Coast Guard facilities, vessels, and aircraft. This amount includes \$990,444,000 for the Integrated Deepwater System Program.

Retired Pay: The bill authorizes \$1,184,720,000 for retired pay and payments for medical services of retired personnel.

Active Duty Strength: This legislation authorizes the Coast Guard to have 47,000 active duty personnel for the fiscal year ending September 30, 2008, which is an increase of 1,500 personnel.

Title II - Coast Guard

Armed Forces Retirement Homes: This provision allows Coast Guard retirees to have the same access to the Armed Forces Retirement Home system as retirees from other branches of the Armed Forces.

International Maritime Organizations: H.R. 2830 allows the Commandant of the Coast Guard, after consultation with the Secretary of State, to make grants to international maritime organizations for the purpose of acquiring data about merchant vessel inspections, safety, security, classification, and flag state enforcement.

Merchant Mariner Medical Advisory Committee: The bill requires the Commandant to establish a Merchant Mariner Medical Advisory Committee to advise the Secretary on medical standards and certifications for merchant mariners. The 14 member committee will be made up of ten health care professionals and four professional mariners.

Laser Training System: H.R. 2830 requires the Coast Guard to test an integrated laser engagement system for the training of members of the Coast Guard assigned to small vessels on the use of individual weapons and machine guns.

Coast Guard District Ombudsman: The bill allows the Commandant to create a District Ombudsman program to improve the communication among port and terminal operators, ship owners, labor representatives, and the Coast Guard.

Small Business Contracting: H.R. 2830 requires primary contractors to implement a plan of subcontracts with small business concerns owned and controlled by women, service-disabled veterans, socially and economically disadvantaged individuals, and HUBZone small business concerns. The bill also requires 10 percent of Coast Guard contracts in any fiscal year to be expended with small business concerns owned and controlled by socially and economically disadvantaged individuals. In addition, the Secretary is required to facilitate awarding small business concerns, institutions, and corporations under the Deepwater Program.

Coast Guard Academy: This provision requires potential cadets to the Coast Guard Academy to be nominated for a competitive appointment by a Member of Congress. It also allows the Secretary to appoint cadets to the Academy if they are the children of a Medal of Honor recipient, an individual who died while on active duty, an individual that is certified by the Department of Veterans Affairs to have a ONGWORTH HOB WASHINGTON DC 20515

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100 percent service-connected disability, or individual members of the U.S. Armed Forces who are missing.

*Note: Currently, the Coast Guard Academy does not require a Congressional nomination for matriculation.

Title III - Shipping and Navigation

Maritime Drug Enforcement: The bill establishes a civil penalty of \$10,000 for the possession of a controlled substance on a vessel subject to the jurisdiction of the United States.

Cold Weather Survival Training: This legislation authorizes \$150,000 to carry our cold water survival training in Coast Guard District 17, which is located in the Alaskan Maritime region.

Fishing Vessel Safety: H.R. 2830 establishes fishing vessel safety standards. In addition, it allows the Secretary to establish a Fishing Safety Training Grants Program to provide funding to entities that provide commercial fishing safety training and a Fishing Safety Research Grant program to provide funding for research on methods of improving the safety of the commercial fishing industry.

Title IV - Miscellaneous Provisions

Great Lakes Maritime Research Institute: The bill provides \$8.4 million over 5 years to the Great Lakes Maritime Research Institute to study the region and ways to improve the integration of the Great Lakes marine transportation system into the national transportation system; analyze the effects of aging infrastructure and port corrosion; establish a model Great Lakes marine transportation system database; and identify trade opportunities with Canada for U.S. flag vessels on the Great Lakes.

<u>Decommissioned Vessels for Haiti</u>: H.R. 2830 gives the government of Haiti the right-of-first-refusal for decommissioned Coast Guard 41 foot patrol boats.

Bridge Study: This provision requires the Secretary of Transportation to submit a comprehensive study to relevant Congressional committees on the proposed construction or alteration of any bridge, drawbridge, or causeway over navigable waters with a channel depth of 25 feet or greater that may impede or obstruct future navigation to or from port facilities.

Title V - Ballast Water Treatment

Goal: The bill sets a national goal that ballast water discharged into the waters of the United States will contain no living viable organisms by the year 2015.

*Note: Ballast water is held in tanks or cargo holds of ships to provide stability and maneuverability when ships are at sea.

Ballast Water Management: The bill codifies current Coast Guard regulations that require ships to conduct ballast exchange operations offshore 200 miles from the United States. The bill also preempts state ballast water management laws.

Ballast Water Standards: The legislation sets the ballast water standard of less than one living organism per 100 cubic meters of water for organisms; less than one living organism per 100 milliliters of water for organisms between 10 and 50 microns in size; and other specific performance requirements for other types of microbes. Beginning January 1, 2009, vessels must have a ballast water treatment system that meets these standards after their first drydocking.

Rapid Response Plan: H.R. 2830 requires the President to establish a national rapid response plan for killing, minimizing, or removing nuisance species in U.S. waters.

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Title VI – Maritime Pollution Prevention

MARPOL Provisions: This Title implements international regulations on air pollution from ships that were adopted in the Protocol of 1997 to the International Convention for the Prevention of Pollution from Ships, 1973 (MARPOL).

*Note: The legislative text of this Title of the bill was included in the Maritime Pollution Prevention Act (H.R. 802), which was passed by the House under suspension of the rules by a vote of 359 to 48 (Roll Call 187) on March 26, 2007. (Legislative Digest for H.R. 802)

Title VII – Port Security

<u>Transportation Worker Identification Credential</u>: The bill requires the Secretary of Homeland Security to submit a report to Congress to assess the implementation of the Transportation Worker Identification Credential program. The report must include the number of workers enrolled and an overview of the challenges encountered during implementation.

*Note: According to the Department of Homeland Security's website, "the Transportation Worker Identification Credential (TWIC™) program is a Transportation Security Administration and U.S. Coast Guard initiative. The TWIC™ program provides a tamper-resistant biometric credential to maritime workers requiring unescorted access to secure areas of port facilities, outer continental shelf facilities, and vessels regulated under the Maritime Transportation Security Act."

Maritime Security Response Teams: This legislation requires the Secretary to establish no less than two maritime security response teams to act as the Coast Guard's rapidly deployable counterterrorism and law enforcement response units. The Coast Guard currently has only one such team which is located in Chesapeake, VA.

Coast Guard Port Assistance Program: H.R. 2830 authorizes the Coast Guard to lend, lease, or donate surplus Coast Guard equipment to assist bringing foreign ports of facilities into compliance with applicable International Ship and Port Facility Code standards.

Maritime Biometric Identification: This provision authorizes the Secretary of Homeland Security, acting through the Commandant, to conduct a pilot program for the mobile biometric identification of suspected individuals, including terrorists.

Advance Notice of Significant of Fatal Incidents Involving U.S. Persons: The bill requires cruise ships to inform the Coast Guard no later than 96 hours prior to a vessel's arrival in a U.S. port of any significant injury, fatality, or sexual assault involving a U.S. persons.

Liquefied Natural Gas Tankers and Facilities: The bill makes the Coast Guard responsible for the security of LNG tankers and facilities. It would allow the Coast Guard to use a State or local government resources and personnel to provide security only if the Coast Guard first certified that they meet certain standards. Additionally, the bill would prohibit the approval of additional LNG facilities after enactment of the bill unless the Coast Guard certifies that it has the capability and resources to secure the facility. The bill allows the Department of Homeland Security to establish a liability limit of not less than \$12 million for a deepwater LNG facility.

*Note: Natural Gas is a critical component of U.S. energy supply. It is converted to a liquid form for easier shipping and storage. There are currently 7 active LNG facilities, with more than 70 new LNG facilities proposed for development. Republican Members from the Committees of jurisdiction have raised concerns that these LNG provisions would delay or effectively block construction of new LNG facilities in the United States. Further, it could impact delivery

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schedules for current LNG facilities if Coast Guard assets were not available for escorting duties due to an urgent search and rescue or intelligence-driven law enforcement case.

Title VIII - Coast Guard Integrated Deepwater Program

Private Sector Entities: The bill prohibits the Secretary from using a private sector entity as a lead systems integrator for procurements under, or in support of, the Deepwater Program as of October 1, 2011.

Competition: H.R. 2830 requires the Secretary to use a competitive procurement process for asset acquisition under the Deepwater Program.

Testing and Certification: This legislation requires Coast Guard cutters delivered after the date of enactment to be certified by a third party with expertise in vessel design and construction certification. In addition, it requires all electronics that require TEMPEST certification to be tested and certified in accordance with TEMPEST and communications security (COMSEC) standards by a third party.

*Note: The Coast Guard Integrated Deepwater Systems program is a \$24-billion, 25-year project to replace and modernize the Coast Guard's fleet of deepwater-capable ships and aircraft. As a part of the program, the Coast Guard will acquire 91 new cutters, 124 new small surface craft, and 244 new or converted airplanes, helicopters, and unmanned aerial vehicles.

Title IX - Minority Serving Institutions

Minority Serving Institutions Management Internships: H.R. 2830 establishes a two part management internship program for students at minority serving institutions (MSI) to intern at Coast Guard headquarters or at a regional office. The bill authorizes \$2 million for this program.

Minority Serving Initiatives: The bill establishes an MSI component of the College Student Pre-Commissioning Initiative to ensure greater participation by students from MSIs. It also requires the Commandant to ensure that graduates of the aforementioned initiative are included for enrollment in Officer Candidate School. The bill authorizes \$3 million for this section.

Title X – Appeals to National Transportation Safety Board (NTSB)

Limitation on Coast Guard Administrative Proceedings: H.R. 2830 prohibits the Coast Guard from conducting any administrative merchant mariner license or document suspension/revocation proceedings after October 1, 2009.

Transfer of Pending Appeals: The bill requires that any pending cases remaining before the Coast Guard Office of Administrative Law Judges to be transferred to the NTSB for adjudication on October 1, 2008. In addition, the bill requires that 80 percent of all fiscal year 2009 and 2010 funding appropriated to the Coast Guard's Office of Administrative Law Judges be transferred to the NTSB and used for their Administrative Law Judges.

Title XI - Marine Safety

Coast Guard Function: This legislation establishes Marine Safety as a Coast Guard function. It requires the Commandant to promote maritime safety based on preventing marine casualties and threats to the environment, minimizing the impact of marine casualties and environmental threats, and maximizing lives and property saved and environment protected in the event of a marine casualty.

Centers for Marine Safety: H.R. 2830 authorizes the Secretary to establish Centers for Expertise for Marine Safety.

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<u>Coast Guard Academy</u>: The bill requires that professional courses in marine safety are provided at the Coast Guard Academy

AMENDMENTS

(Below is the summary of the amendment that was made in order by the Rules Committee and may be offered on the floor of the House of Representatives)

- 1) Rep. Oberstar (D-MN): (REVISED) Would allow the Secretary of the department in which the Coast Guard operates to delegate to the American Bureau of Shipping or another classification authority the authority regarding offshore structures to review and approve plans required for issuing a certificate of inspection or certificate of compliance and conduct inspections and examinations. The Secretary may make a delegation to a foreign classification society only if the society has an office and maintains records in the United States and (1) if the government of that foreign society delegates the authority to the American Bureau of Shipping or (2) to the extent the government of that foreign society accepts plans, inspections, or examinations conducted by the American Bureau of Shipping and provides equivalent access to inspect, certify, and provide related services to offshore facilities.
- 2) Reps. LaTourette (R-OH) / Boustany (R-LA): Would amend section 720 of the substitute (regarding waterside security around liquefied natural gas tankers and terminals) to state that the Coast Guard may consider security assets and personnel provided by state and local officials contracted or otherwise made available to an LNG terminal operator in determining whether security resources are available to carry out necessary waterside security measures.
- 3) Reps. Matsui (D-CA) / Poe (R-TX) / Maloney (D-NY) / Shays (CT): Would require the Secretary of the department in which the Coast Guard is operating to maintain on an Internet site a numerical accounting of missing persons and alleged crimes committed on cruise ships. The database would be updated quarterly and aggregated by cruise line. The amendment would require cruise lines to include a link to this database on their public websites.
- 4) **Rep. Poe (R-TX):** Would state the findings of Congress that stateless submersible or semi-submersible vessels on international voyages are a serious international problem, facilitate international crimes, and are a threat to the safety and security of the United States. The amendment would make it a federal criminal offense subject to fines, imprisonment, or both for the operation and embarkation of any stateless submersible or semi-submersible vessel.
- 5) **Rep. McNerney (D-CA):** States that the marine safety provisions of the bill shall not impair the legal authority of the Coast Guard to carry out its homeland security mission, including protecting ports and waterways, stopping human smuggling, and preventing terrorist organizations from attacking the United States.
- 6) Rep. Bilirakis (R-FL): Would strike section 708 of the substitute amendment (maritime biometric identification) and replace it with a requirement that the Commandant of the Coast Guard, within one year of enactment, conduct a program for the mobile biometric identification of suspected individuals, including terrorists, to enhance border security. It also would require a cost analysis of expanding these capabilities to other Coast Guard and DHS vessels. The analysis may include a plan to give priority to vessels and units more likely to encounter those suspected of making illegal border crossings through the maritime environment.

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- 7) Rep. Markey (D-MA): Would direct the Secretary of Homeland Secretary to notify the Federal Energy Regulatory Commission (FERC) of any determination by the Secretary that a proposed waterside liquefied natural gas (LNG) facility is suitable or unsuitable for the marine traffic associated with the LNG facility. Within 90 days of such notification, FERC must respond to the Secretary's determination with what action the Commission has taken regarding a proposal to construct and operate a waterside LNG.
- 8) Rep. Lofgren (D-CA): Would allow the Secretary of Homeland Security to use a secondary authentication system for individuals applying for transportation security cards when fingerprints are not able to be taken or read to enhance transportation security.
- 9) Rep. Tim Bishop (D-NY): Would require the Secretary of the department in which the Coast Guard is operating to study, within 180 days of enactment, the role of state and local law enforcement in augmenting Coast Guard resources by enforcing Coast Guard-imposed security zones around vessels transiting to, through, or from U.S. ports and conducting port security patrols.
- 10) Rep. Broun (R-GA): Would strike title X (appeals to national transportation safety board) and title XI (marine safety) from the bill.
- 11) Rep. Cuellar (D-TX): Would direct the Secretary of the department in which the Coast Guard is operating, within 90 days of enactment, to conduct a mission requirement analysis for the navigable portions of the Rio Grande River, Texas, international water boundary. The analysis would identify what resources would be needed to further the Coast Guard's mission along the Rio Grande River.
- 12) Rep. Kirk (R-IL): Would include vessels that operate exclusively in the Great Lakes ecosystem amongst vessels that would be required to have a ballast water treatment system, at the request of the Secretary of Agriculture.
- 13) Rep. Lamar Smith (R-TX): Would add a new title to the bill to enhance federal criminal penalties for alien smuggling.
- 14) Rep. Jackson-Lee (D-TX): Directs the Secretary of Homeland Security to assess, within 30 days of enactment, the enrollment sites for transportation security cards, including the feasibility of keeping them open for longer durations and the quality of their customer service and application processing times.
- 15) Rep. Stupak (D-MI): Would permit the Commandant of the Coast Guard to convey, without consideration, the Coast Guard Station Marguette and Lighthouse Point in Marguette County, Michigan, to the City of Marquette, Michigan. The conveyance could not occur until the Coast Guard has relocated to a newly constructed station, any environmental remediation required under federal law has been completed, and the Commandant of the Coast Guard determines that retention of the lighthouse is not needed for Coast Guard missions.

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The Congressional Budget Office has not scored the final version of H.R. 2830.

ADDITIONAL VIEWS

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Following consideration of the bill by the Transportation and Infrastructure Committee and the Homeland Security Committee, Transportation and Infrastructure Ranking Republican John Mica (R-FL) sent a letter to Energy and Commerce Ranking Republican Joe Barton (R-TX), urging him to strike three provisions in the bill related to liquefied natural gas (LNG) terminals. There continue to be concerns with the LNG provisions in the text of the bill under consideration on the floor this week.

The Administration: "The Administration strongly opposes House passage of H.R. 2830 in its current form because it would adversely affect homeland security, protection of the marine environment, and maritime safety and would unreasonably intrude upon the Commandant's authority and discretion to command and control the Coast Guard...the section of the bill that would require the Coast Guard to provide security around liquefied natural gas terminals and vessels should be eliminated because it provides an unwarranted and unnecessary subsidy to the owners of private infrastructure that is contrary to the existing assistance framework and would divert finite Coast Guard assets from other high-priority missions, as determined by the Commandant. If H.R. 2830 were presented to the President with this provision, his senior advisors would recommend that he veto the bill." (Statement of Administration Policy, 4/23/08)

Coast Guard Commandant Thad Allen issued the following statement about H.R. 2830, ""I am deeply concerned about a number of provisions contained in H.R. 2830 (Coast Guard Authorization Act of 2008) that I believe would have a detrimental effect on the Coast Guard's ability to carry out our many vital maritime safety, security and environmental protection missions. As the commandant, I have an obligation to the public and our Coast Guard men and women to ensure the Coast Guard retains the necessary discretion and flexibility to meet our mission demands in an often-changing, dangerous operating environment. This bill, in its current form, does not do that. I am also disappointed that proposals to protect seafarers who participate in the investigation and adjudication of environmental crimes and enhance our ability to prosecute alien migrant smugglers at sea were not included in the bill. While the bill contains several provisions that would improve Coast Guard operations and mission support, I strongly oppose other provisions as written in the bill that would limit the commandant's authority to direct Coast Guard operations and assign senior personnel to specific duties. I look forward to continuing to work with the Congress to address each of the provisions outlined in the Statement of Administration Policy." (Commandant's Statement)



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